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May 30, 2001

Honorable Philip N. Asprodites Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Lower Cotton Valley Formation, Reservoir A, and Hosston (Travis Peak) Formation, SLIGO FIELD, Bossier Parish, Louisiana.

Dear Sir:

BILLY R. PESNELL

DAVID L. SMELLEY

PAUL A. STRICKLAND

SCOTT C. SINCLAIR

W. BROOKS MAY

JOSEPH L. HARGROVE, JR.

DEVON ENERGY PRODUCTION COMPANY, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A, and to the Hosston (Travis Peak) Formation, all in the Sligo Field, Bossier Parish, Louisiana:

- 1. To permit Applicant to drill, designate and utilize its USA No. 26 Well as an additional alternate unit well for HOSS TP SUC at the location shown on an attached plat, in exception to the well location provisions of Office of Conservation Order No. 8-B, effective September 1, 1956.
- 2. To permit Applicant to drill, designate and utilize its USA No. 25 Well as an additional alternate unit well for HOSS TP SUB and for LCV RA SUT at the location shown on attached plats, in exception to the well location provisions of Office of Conservation Order No. 8-B, effective September 1, 1956 (applicable to the Hosston (Travis Peak) Formation) and Office of Conservation Order No. 8-K, effective October 16, 1990 (applicable to the Lower Cotton Valley Formation, Reservoir A).
- 3. To find that drilling, designation and use of each of these wells is necessary to efficiently and economically drain a portion of the Hosston (Travis Peak) Formation and the Lower Cotton Valley Formation, Reservoir A, underlying the units on which these wells are to be located which cannot be efficiently and economically drained by any existing well within these units.

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- 4. To permit the Operator of HOSS TP SUC, HOSS TP SUB and LCV RA SUT to produce the allowables assigned to these units from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
- 5. To approve the downhole combination of production from the Lower Cotton Valley Formation, Reservoir A, and the Hosston (Travis Peak) Formation, in the wellbore of the USA No. 25 Well and in the wellbore of any existing well or subsequently drilled well located on HOSS TP SUB and LCV RA SUT.
- 6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Lower Cotton Valley Formation, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-K, effective October 16, 1990.

The Hosston (Travis Peak) Formation in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person desiring to inspect such data should call Mr. Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A

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copy of this letter and of the three (3) attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and of the enclosed plats at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sligo Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

Yours very truly,

David L. Smelley

Attorney for Devon Energy Production Company, L.P.

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Steven C. Klein (w/encls.)

Mr. Joel Alberts (w/encls.)

Mr. Louis Gilbert (w/encls.)

Interested Owners, Represented

Parties and Interested Parties (w/plats only)





